

Senate Bill No. 196

CHAPTER 152

An act to amend Section 1982.3 of the Education Code, to amend Section 53 of Chapter 330 of the Statutes of 1998, to amend Section 39 of Chapter 299 of, and Section 44 of Chapter 928 of, the Statutes of 1997, and to amend Section 31 of Chapter 204 of the Statutes of 1996, relating to school finance, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor July 22, 1999. Filed with
Secretary of State July 22, 1999.]

LEGISLATIVE COUNSEL'S DIGEST

SB 196, Brulte. School finance.

(1) Existing law requires any amounts received by a county superintendent of schools for revenue limit purposes from the average daily attendance of pupils enrolled in community schools to be expended only for community school purposes. Existing law requires any county superintendent of schools operating county juvenile court schools, county group home and institutions schools, or community schools to maintain an account in their general fund, known as the juvenile court and community school account, and to deposit all funds derived from these programs in that account for expenditure for specified related purposes.

This bill would require that any amounts received by a county superintendent of schools for revenue limit purposes from the average daily attendance of pupils enrolled in community schools to be expended only for the same purposes as authorized for expenditure from the juvenile court and community school account.

(2) Existing law enacted in 1998 reappropriated \$3,030,000 from the Proposition 98 Reversion Account to the Superintendent of Public Instruction.

This bill would increase this amount to \$3,100,000 by appropriating \$70,000 to the Pasadena Unified School District for support of the Pasadena Youth Center.

(3) Existing law appropriates \$16,969,000, without regard to fiscal year, from the General Fund to the Superintendent of Public Instruction to implement the model budget and accounting systems. In order for a school district or county office of education to receive funds for this purpose, the school district or county office of education is required to request disbursement and the request is required to be received by the State Department of Education by June 30, 1999.

This bill would change the date that the request is required to be received by the State Department of Education to September 30, 1999.

(4) Existing law enacted in 1997 appropriates \$2,000,000 from the General Fund to the State Department of Education, in augmentation of the appropriations made in the Budget Act of 1997, for allocation to school districts for home-to-school transportation. Existing law requires the Superintendent of Public Instruction, in allocating that amount, to give highest priority to districts that have both (1) a total cost per mile for the 1996–97 fiscal year for home-to-school transportation of between 100% and 115% of the statewide average cost and (2) either weather-related conditions, or terrain-related conditions, that vary substantially from those of other districts that the superintendent determines may be classified as high-impact, high-efficiency districts.

This bill would make an appropriation by requiring the Superintendent of Public Instruction to allocate funds from the appropriation for home-to-school transportation first to school districts that both (1) have a total cost per mile for the 1996–97 fiscal year for home-to-school transportation that exceeds the statewide average cost per mile, rather than a cost between 100% and 115% of the statewide average cost, and (2) weather-related or terrain-related conditions, without regard to whether the districts may be classified as high-impact, high-efficiency districts. Following this allocation, if funds remain, the bill would require the Superintendent of Public Instruction to augment funding allocated to school districts eligible for a supplemental apportionment for home-to-school transportation for reasons other than weather-related or terrain-related conditions. The bill would require that the appropriation be included in the amounts appropriated by the state in the 1997–98 fiscal year for the purpose of meeting the state's minimum funding obligation to school districts and community college districts under Section 8 of Article XVI of the California Constitution for that fiscal year. The bill would also delete language stating that this appropriation is in augmentation of appropriations made in the Budget Act of 1997.

(5) Existing law enacted in 1996 appropriates \$4,000,000 to the Superintendent of Public Instruction for the purpose of establishing the Discovery Science Center in Orange County for the 1996–97 fiscal year. Existing law requires the center to be an 80,000 square foot, hands-on, interactive learning facility.

This bill would instead require the Discovery Science Center to be up to 80,000 square feet in area.

(6) To the extent that the funds appropriated by this bill are allocated to a school district or a community college district, those funds would be applied toward the minimum funding requirements

for school districts and community college districts imposed by Section 8 of Article XVI of the California Constitution.

(7) Existing law appropriates funds in the Budget Act of 1997 for adult education and remedial education services for participants in the Greater Avenues for Independence (GAIN) program.

This bill would reappropriate the unencumbered balance as of June 30, 1999, of the funds appropriated in the Budget Act of 1997 for those identified programs for allocation on a one-time basis for the purpose of providing school districts an opportunity to apply for additional authorized units of adult education average daily attendance to support the development of site information systems.

(8) This bill would declare that it is to take effect immediately as an urgency statute.

Appropriation: yes.

The people of the State of California do enact as follows:

SECTION 1. Section 1982.3 of the Education Code is amended to read:

1982.3. Any amounts received by a county superintendent of schools for revenue limit purposes that are derived from the average daily attendance generated by pupils enrolled in a community school shall be expended only for the purposes specified in subdivision (b) of Section 42238.18.

SEC. 2. Section 53 of Chapter 330 of the Statutes of 1998 is amended to read:

Sec. 53. The sum of three million one hundred thousand dollars \$3,100,000 is reappropriated from the Proposition 98 Reversion Account to the Superintendent of Public Instruction in accordance with all of the following:

(a) Twenty thousand dollars (\$20,000) for allocation on a one-time basis to the Pasadena Unified School for the purchase of textbooks for a tutoring program.

(b) Eighty thousand dollars (\$80,000) for allocation on a one-time basis to the Santa Paula Unified School District for the purpose of renovating a swimming pool.

(c) Fifty thousand dollars (\$50,000) for allocation on a one-time basis to the Montebello Unified School District for the purpose of purchasing school security devices.

(e) One hundred eighty thousand dollars (\$180,000) for allocation on a one-time basis to the Los Angeles County Office of Education for the purpose of developing middle school civic education curricula.

(g) Two hundred thousand dollars (\$200,000) for allocation on a one-time basis to the Superintendent of Public Instruction, for allocation on a grant basis to local educational agencies for support

of home economics careers programs, pursuant to legislation enacted in the 1997–98 Regular Session.

(j) Five hundred thousand dollars (\$500,000) for allocation on a one-time basis to the Lucia Mar School District for the purpose of constructing a performing arts center.

(k) Three hundred thousand dollars (\$300,000) for allocation on a one-time basis to the Los Angeles Unified School District for the purpose of support of the California Arts Initiative.

(m) One million dollars (\$1,000,000) for allocation on a one-time basis to the Superintendent of Public Instruction, for allocation on a grant basis to local educational agencies, for the purpose of high school coaching training, pursuant to legislation enacted in the 1997–98 Regular Session.

(n) Seven hundred thousand dollars (\$700,000) for allocation on a one-time basis to the Los Glamitos Unified School District for the purpose of support of the Los Alamitos High School for the Arts.

(o) Seventy thousand dollars (\$70,000) for allocation on a one-time basis to the Pasadena Unified School District for support of the Pasadena Youth Center.

SEC. 3. Section 39 of Chapter 299 of the Statutes of 1997 is amended to read:

Sec. 39. (a) It is the intent of the Legislature that the funds appropriated by subdivision (b) of Section 41 of this act be used exclusively to implement the Standardized Account Code Structure. Any funds not needed to complete this project shall be returned by local education agencies to the Controller.

(b) Of the amount appropriated in subdivision (b) of Section 41 of this act, one million seventy-nine thousand five hundred seventy-five dollars (\$1,079,575) shall be allocated by the Superintendent of Public Instruction to Phase I participants for the purpose of fully funding their Standardized Account Code Structure implementation contract agreements and grant awards entered into with the State Department of Education prior to the 1997–98 fiscal year.

(c) Of the amount appropriated in subdivision (b) of Section 41 of this act, seven hundred twenty-eight thousand seven hundred sixty-one dollars (\$728,761) shall be allocated by the Superintendent of Public Instruction to Phase I participants for the purpose of providing total funding for a consortium that, on a consortium-wide basis, averages five dollars (\$5) per unit of average daily attendance. Total funding shall include any allocations provided by subdivision (b), and appropriations authorized for disbursement from Item 6110-188-0001 of Chapter 162 of the Statutes of 1996 and Section 13 of Chapter 525 of the Statutes of 1995.

(d) Of the amount specified in subdivision (b) of Section 41 of this act, fifteen million one hundred sixty thousand six hundred sixty-four dollars (\$15,160,664) shall be available for allocation by the



Superintendent of Public Instruction to Phase II participants at the rate of five dollars (\$5) per unit of average daily attendance, except as provided in subdivisions (e) and (k).

(1) In order for a school district or county office of education to reserve state funds available for allocation by this subdivision, the school district or county office of education shall notify the State Department of Education by January 1, 1999, of its intent to implement the Standardized Account Code Structures. This notification shall be on forms prescribed by the Superintendent of Public Instruction. All funds available for allocation by this subdivision which are not reserved by a school district or county office of education by January 1, 1999, shall be reverted to the Proposition 98 Reversion Account within the General Fund, upon notification by the Superintendent of Public Instruction to the Controller's office.

(2) In order for a school district or county office of education to receive funds available for allocation by this subdivision, a school district or county office of education shall request disbursement of those funds on forms prescribed by the Superintendent of Public Instruction. Any request for funds must be received by the State Department of Education by September 30, 1999. Funds made available for allocation by this subdivision which are not requested by a school district or county office of education by September 30, 1999, shall be reverted to the Proposition 98 Reversion Account within the General Fund, upon notification by the Superintendent of Public Instruction to the Controller's office.

(e) Of the amount available for allocation pursuant to subdivision (d), a county office of education is eligible to receive a total seventy-five thousand dollars (\$75,000) for the county office of education and all of the school districts in the county in which the county office of education is located, in lieu of the rate of five dollars (\$5) per unit of average daily attendance pursuant to subdivision (d), under the following conditions:

(1) There is less than a combined total of 15,000 units of average daily attendance for the county office of education and all school districts in the county in which the county office of education is located.

(2) The county office of education and all of the school districts in the county in which the county office of education is located use the same accounting and budgeting system to implement the Standardized Account Code Structure. This subdivision shall also apply to Phase I participants.

(f) Of the amount available for allocation pursuant to subdivision (d), the Superintendent of Public Instruction may allocate a level of funds deemed necessary to allow a county office of education and school districts in the county in which the county office of education is located to implement the Standardized Account Code Structure



without incurring a fiscal hardship. These exceptional necessary allocations shall be made on a case-by-case basis. This subdivision is applicable only in a county with a relatively small number of units of average daily attendance countywide, but where the county office of education and school districts do not meet the conditions set forth in subdivision (e).

(g) (1) For any school district that implements the Standardized Account Code Structure on the same accounting and budgeting system used by the county office of education in the county in which the school district is located, funds disbursed pursuant to subdivision (d) shall be allocated directly to the county office of education.

(2) Prior to the allocations pursuant to paragraph (1), the superintendent of the school district, or his or her designee, shall jointly certify with the county superintendent of schools, or his or her designee, of the county in which the school district is located, that the school district and the county office of education use the same accounting and budgeting system. This certification shall be on forms prescribed by the Superintendent of Public Instruction.

(h) (1) Except as provided in paragraph (3), each school district and county office of education that receives funds disbursed pursuant to subdivision (d), is required to fully implement the Standardized Account Code Structure within 36 months from the date the funds are disbursed to that school district or county office of education, or repay those funds to the state, together with interest at a rate based on the most current investment rate of the Pooled Money Investment Account as of the date the funds are disbursed. Interest shall accrue as of the date the funds are disbursed.

(2) The Superintendent of Public Instruction shall withhold from the apportionments to be made to the school district or the county office of education from the State School Fund an amount equal to the amount owed pursuant to paragraph (1), and those funds shall be immediately transferred by the Controller to the Proposition 98 Reversion Account within the General Fund.

(3) Only under extraordinary circumstances and on a case-by-case basis, the Superintendent of Public Instruction may grant extensions upon approval of the Department of Finance to the 36-month period for the purpose of determining whether repayment to the state is required pursuant to paragraph (1).

(i) (1) For purposes of this section, “fully implement” for a school district is defined as submitting the following reports based on a general ledger which reflects the Standardized Account Code Structure:

(A) The adopted budget for the school district pursuant to Section 42127 of the Education Code.

(B) The financial and budgetary status reports pursuant to Section 42130 of the Education Code.



(C) The annual statement of all receipts and expenditures pursuant to Section 42100 of the Education Code.

(2) For purposes of this section, “fully implement” for a county office of education is defined as submitting the following reports based on a general ledger which reflects the Standardized Account Code Structure:

(A) The adopted budget for the county office of education pursuant to Section 1622 of the Education Code.

(B) The financial and budgetary status reports pursuant to Section 1240 of the Education Code.

(C) The annual statement of all receipts and expenditures pursuant to Section 1628 of the Education Code.

(j) It is the intent of the Legislature in enacting this section that fiscal oversight responsibilities and services provided by the county superintendent of schools pursuant to Chapter 1213 of the Statutes of 1991 shall not be increased. Consequently, for any school district that uses an accounting and budgeting system that is different from the system used by the county office of education in the county in which the school district is located, the superintendent of the school district, or designee, shall jointly certify with the county superintendent of schools, or designee, of the county in which the school district is located, that all financial and budgetary data shall be submitted in a format that is acceptable to that county office of education accounting and budgeting system. Prior to the disbursement to the school district of any funds made available for allocation pursuant to subdivision (d), this certification shall be submitted to and on forms prescribed by the Superintendent of Public Instruction.

(k) (1) For any school district that uses an accounting and budgeting system that is different from the system used by the county office of education in the county in which the school district is located, the superintendent of the school district, or designee, shall jointly certify with the county superintendent of schools, or designee, of the county in which the school district is located, a specific portion of the five dollars (\$5) per unit of average daily attendance, available for allocation pursuant to subdivision (d), that shall be allocated by the Superintendent of Public Instruction directly to the county superintendent of schools to pay for increased core services cost, if any, to the county office of education that are a direct result of the school district’s implementation of the Standardized Account Code Structure.

(2) Upon request by either the school district or the county office of education, the Superintendent of Public Instruction shall determine the specific portion to be allocated directly to the county office of education pursuant to paragraph (1).

(l) Any school district or county office of education that receives funds pursuant to subdivision (d) is subject to an annual evaluation

and to a final evaluation when full implementation is achieved. The evaluation shall be in a form or format prescribed by the Superintendent of Public Instruction.

(m) Acceptance by the school district or county office of education of the funds made available pursuant to this section shall constitute agreement by the school district or county office of education to the conditions set forth in this section.

(n) For purposes of this section, “Phase I participants” is defined as the consortia of school districts and county offices of education approved by the State Department of Education to receive Standardized Account Code Structure funds appropriated by Item 6110-188-0001 of the Budget Act of 1996 or Section 13 of Chapter 525 of the Statutes of 1995.

(o) For purposes of this section, “Phase II participants” is defined as school districts and county offices of education that were not Phase I participants, but choose to implement the Standardized Account Code Structure and receive funds pursuant to subdivision (d).

(p) For purposes of this section, “average daily attendance” is defined as the unrevised 1996–97 first period report of average daily attendance for the first principal apportionment for school districts and county offices of education, adjusted by the Superintendent of Public Instruction to exclude specific categories of attendance inappropriate for purposes of the calculations made pursuant to this section.

(q) The Superintendent of Public Instruction is authorized to transfer funds between subdivision (c) and subdivision (d) as necessary to account for unanticipated amendments to the list of local education agencies participating in Phase I.

(r) It is the intent of the Legislature that the Standardized Account Code Structure conversion plan, approved by the State Board of Education in April 1997, shall be implemented in full.

SEC. 4. Section 44 of Chapter 928 of the Statutes of 1997 is amended to read:

Sec. 44. (a) The sum of two million dollars (\$2,000,000) is hereby appropriated from the General Fund to the State Department of Education first for allocation for the home-to-school transportation program to school districts that are eligible for funding under Section 41862 of the Education Code based on having both a total cost per mile for the 1996–97 fiscal year for home-to-school transportation that exceeds the statewide average cost per mile, and either weather-related conditions or terrain-related conditions, as described in Section 41862 of the Education Code. If the funds appropriated for the purposes of this section are not sufficient to fully fund the formula established in Section 41863 of the Education Code for school districts eligible for funding under Section 41862 of the Education Code that have both a total cost per mile for the 1996–97 fiscal year for home-to-school transportation that exceeds the

statewide average cost per mile, and either weather-related conditions or terrain-related conditions, the amounts apportioned to these school districts shall be reduced on a proportionate basis.

(b) Following allocation to districts that have both a total cost per mile of the 1997–98 fiscal year for home-to-school transportation that exceeds the statewide average cost per mile, and either weather-related conditions or terrain-related conditions, as described in Section 41862 of the Education Code, any remaining balances in the appropriation shall be used to augment funds allocated to school districts that are eligible for funding under Section 41862 of the Education Code based on reasons other than weather-related or terrain-related conditions.

(c) For the purposes of making the computations required by Section 8 of Article XVI of the California Constitution, the appropriations made by subdivision (a) shall be deemed to be “General Fund revenues appropriate for school districts,” as defined in subdivision (c) of Section 41202 of the Education Code, for the 1995–96 fiscal year, and included within the “total allocations to school districts and community college districts from General Fund proceeds of taxes appropriated pursuant to Article XIII B,” as defined in subdivision (e) of Section 41202 of the Education Code, for the 1995–96 fiscal year.

SEC. 5. Section 31 of Chapter 204 of the Statutes of 1996 is amended to read:

Sec. 31. (a) The sum of four million dollars (\$4,000,000) is hereby appropriated from the General Fund to the Superintendent of Public Instruction for the purpose of establishing the Discovery Science Center in Orange County for the 1996–97 fiscal year. Funds appropriated in this section shall be used on a one-time basis for the construction and startup costs for the Discovery Science Center in Orange County. The center shall be up to 80,000 square foot in area, hands-on, interactive learning facility. The center shall be in a centrally located site to benefit all of Orange County, and shall afford access to science to children who live in the less affluent areas of the county. The center shall serve as a resource for public elementary and secondary schools, and shall offer programs to Orange County schools, residents, and visitors.

(b) For the purpose of making the computations required by Section 8 of Article XVI of the California Constitution, the appropriation made by subdivision (a) shall be deemed to be “General Fund revenues appropriated to school districts,” as defined in subdivision (c) of Section 41202 of the Education Code, for the 1995–96 fiscal year, and included within the “total allocations to school districts and community college districts from General Fund proceeds of taxes appropriated pursuant to Article XIII B,” as defined in subdivision (e) of Section 41202 of the Education Code, for the 1995–96 fiscal year.



SEC. 6. The unencumbered balance as of June 30, 1999, of the funds appropriated by Item 6110-156-0001 of Section 2.00 of the Budget Act of 1997 (Chapter 282 of the Statutes of 1997) is hereby reappropriated to the Superintendent of Public Instruction for allocation to school districts on a one-time basis for the purpose of providing school districts an opportunity to apply for additional authorized units of adult education average daily attendance to support the development of site management information systems. Notwithstanding the provisions of Section 52616 and 52616.23 of the Education Code, or any other provision of law, funds allocated pursuant to this section shall not be included in the ongoing base funding of individual adult education programs.

SEC. 7. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order for funds appropriated to the Superintendent of Public Instruction and the State Department of Education to be allocated appropriately at the earliest possible time, it is necessary that this act take effect immediately.

